

# KIRSTEN JAMES

SENIOR PROGRAM DIRECTOR, WATER AT CERES

“When it comes to financial risk, water risk and climate risk are two sides of the same coin”

Ceres is a US-based nonprofit organization working with capital market leaders to transform the economy and build a sustainable future, driving action and inspiring market-based and policy solutions.



 CRISTINA NOVO PÉREZ

Last summer investors from around the world joined Ceres in the launch of the Valuing Water Finance Initiative, aiming to engage corporate water users to value and act on water as a financial risk and drive large-scale change to protect water systems. Kirsten James, Director of the Water Program at Ceres, answered our questions about this ambitious initiative to raise the profile of water and guide investor water action.

**Can you tell us briefly about your current role at Ceres?**

I am the senior program director of water at Ceres. I direct Ceres' strategy for mobilizing leading institutional investors and companies to address sustainability risks facing our freshwater and agriculture systems. Prior to this role, I led strategy development for Ceres' California-focused policy work. Ceres is a non-profit sustainability advocacy organization.

### How did the idea of the Valuing Water Finance Initiative emerge?

Ceres has been building the financial case for investor action on water risk for more than a decade. We've worked closely with investors to increase water risk integration into investment decision-making via resources such as the Investor Water Toolkit. The Valuing Water Finance Initiative builds on this and other investor-led initiatives such as Climate Action 100+ to drive large-scale corporate changes needed to safeguard our water systems and limit financial risks.

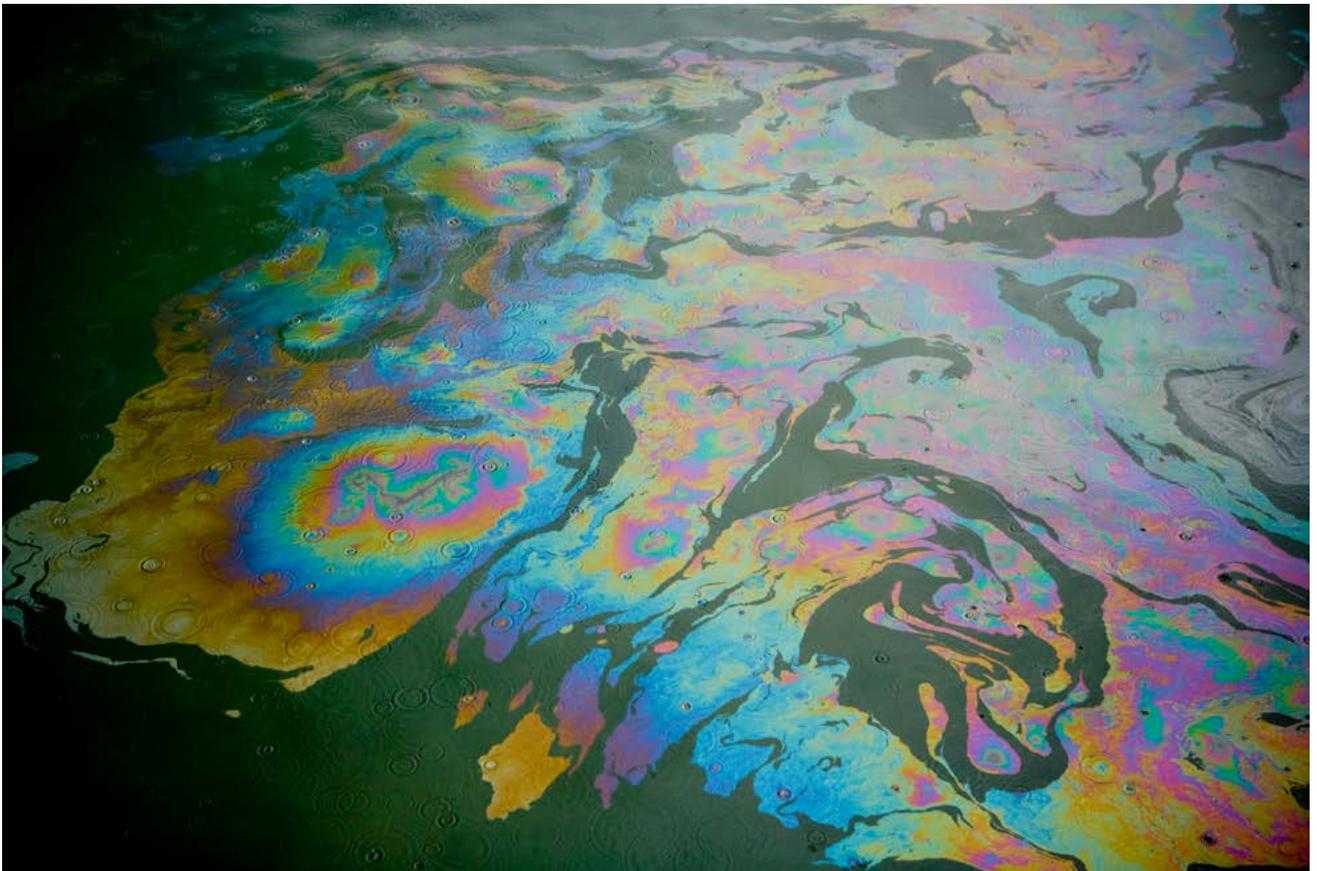
### Can you tell us about the feedback you have heard from investors so far?

Investor interest in the Valuing Water Finance Initiative has exceeded our initial expectations. We launched the Valuing Water Finance Initiative in August with 64 investor signatories represent-

ing \$9.8 trillion in assets under management. These investors understand the urgency of the water crisis and are ready to begin engaging with companies

on water risk. We are in the beginning stages of these engagements and will be working closely with investors throughout the process.

**We work with investors to increase water risk integration into decision-making via resources such as the Investor Water Toolkit**





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**What can be done to accelerate action by investors and companies to consider water risks and prioritise water stewardship?**

The Valuing Water Finance Initiative provides companies with a set of six Corporate Expectations for Valuing Water — clear, science-based steps necessary to mitigate water risk. The

Corporate Expectations consider the full suite of water-related issues, from water availability and quality to corporate board oversight and public policy engagement. They also give investors the tools they need to continue analyzing the financial risks and opportunities and elevating the business case for water action.



## Ceres will periodically conduct a benchmark analysis to assess and track progress on the water risk management practices of companies

and the overall Valuing Water Finance Initiative by assessing alignment and gaps, informing investor engagement topics, elevating best practices and tracking company progress.

### What does the Valuing Water Finance Initiative hope to achieve in the next five to ten years?

We hope to see companies with high-water footprints we are engaged with make significant progress toward fulfilling the Corporate Expectations and ensuring more resilient and sustainable water supplies globally.

### How does Ceres integrate its work on water and climate issues?

When it comes to financial risk, water risk and climate risk are two sides of the same coin. It's impossible to significantly advance climate action and water

security without stronger private sector leadership. Ceres has decades of success building investor and corporate climate leadership through our powerful networks and engagement initiatives. This has set the stage for the Valuing Water Finance Initiative, which elevates water to the same level of climate risk and emphasizes water management as a critical aspect of corporate sustainability, risk management, and strategic planning.

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### How will progress concerning investor engagement with companies be measured?

Ceres will periodically conduct a benchmark analysis to assess and track progress on the water risk management practices of companies that align with the Corporate Expectations for Valuing Water. The benchmark analysis is intended to inform investor dialogues with companies